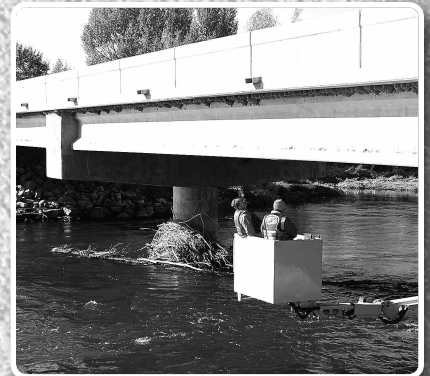




2009 Annual Accountability Report

**Addressing the Findings of the OPE Audit
Through the Governor's Executive Order 2009-08**



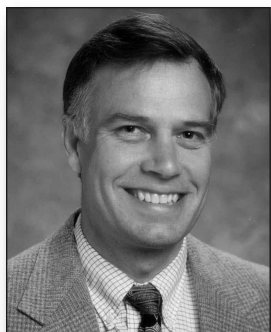
January 2010

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Our Mission. Your Mobility.

Improving Performance and Accountability



L. Scott Stokes
Deputy Director

The 2009 Annual Accountability Report marks a new beginning for the Idaho Transportation Department, with a focus on performance, accountability, and a new era of management tools.

The statement “*As Idaho’s transportation system goes, so goes Idaho’s public safety, economy, and quality of life,*” recently presented by Chief Engineer Tom Cole to the Governor’s Task Force on Modernizing Transportation Funding, highlights the critical role the transportation system plays in Idaho’s economic competitiveness.

The department’s leadership and staff are committed to effectiveness and delivering transportation services that compare well with the best in the business. It is within our reach. The initiatives and tools described in the Office of Performance Evaluations (OPE) Audit, as implemented by the Governor’s Executive Order, are key components to achieving our mutual vision of effectiveness.

The chart on the following page shows the timelines and required completion dates for the three primary items addressed by the OPE Audit and Executive Order. The red text below each bar on the chart shows the progress we have made to date.

We are on the right path, and we are gaining momentum. However, much of the implementation is in early stages. We welcome your comments and suggestions on this report and on the manner in which we are responding to your guidance.

Our greatest desire is to advance to the point to where you and the citizens of Idaho can take pride in the services and the systems we provide for all Idahoans.

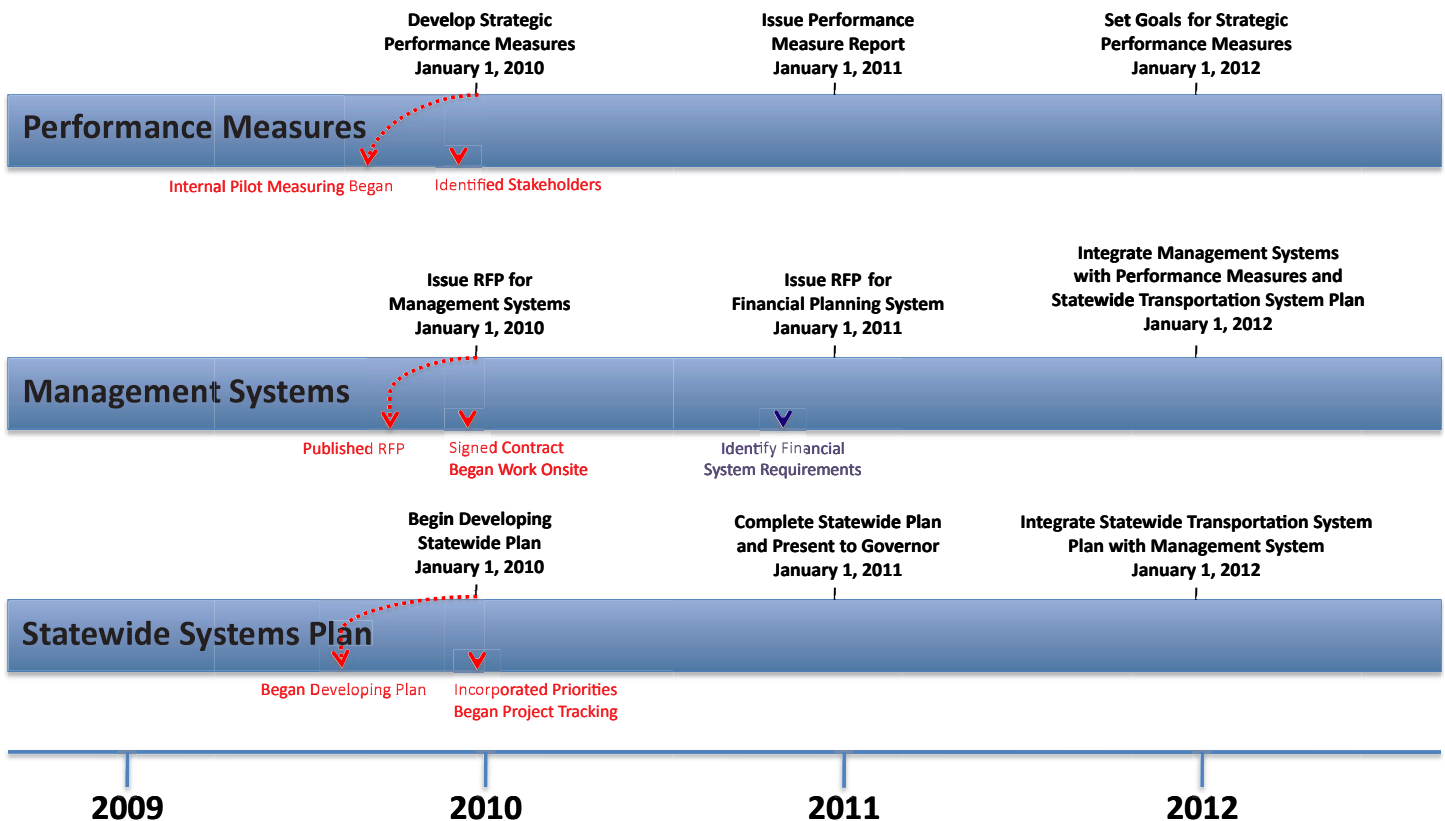
Sincerely,

A handwritten signature in black ink, appearing to read "Scott Stokes", with a stylized flourish at the end.

L. Scott Stokes
Deputy Director
Idaho Transportation Department

OPE Audit / Executive Order

— Timelines and Required Completion Dates —



This report also can be viewed and printed from the department Web site:

www.itd.idaho.gov/accountability



EXECUTIVE SUMMARY

Governor Otter's Executive Order 2009-08 requires the Idaho Transportation Department to implement the key components of the Office of Performance Evaluation (OPE) Audit and publish an annual accountability report.

The report is organized into two parts—Performance and Accountability.

To guide implementation of the OPE Audit and Executive Order, the department developed performance goals.

Performance goals

- **The Transportation System is Safe**
- **The Roads and Bridges are Smooth and Unrestricted**
- **Services are Timely and Cost Effective**
- **The Users are Satisfied with DMV Services**

Performance measures

To support the goals, the department developed draft performance measures for each of the above goals. The measures will show the progress in implementing the OPE Audit and Executive Order by reporting the department's performance.

- An initial set of performance measures was identified (see page 5). Additional measures are being considered for future implementation.
- The department is seeking input from the state's leadership, customers, and partners on the measures and the most accurate ways to measure them.

The department will continue to review and develop performance measures through 2010, and will begin reporting in January 2011, as required by the Governor's Executive Order.

- The executive order requires the development and implementation of performance measures by January 2012.

Management system

The department will develop and integrate maintenance, pavement, and project management systems into its financial management system by January 2012.

- The department will be able to track material, equipment, and labor costs, and make decisions today based on forecasted pavement conditions.
- Goals and performance measures will be linked with planning and work activities.
- The department made substantial progress in 2009 identifying and procuring management systems to streamline operations and create greater efficiency.
- The department awarded a contract in December to Agile Assets for a combined maintenance and pavement management system.
- The Idaho Legislature allocated \$8.3 million for the department to secure a new maintenance and pavement management system, and an additional \$800,000 for a project-scheduling system.

Statewide transportation system plan

- The Statewide Transportation System Plan will link the department's strategic plan with the state's transportation improvement program by January 2011.
- The goal is to develop a prioritized, performance-based project selection process with increased transparency.

Stimulus program

The stimulus program has been an important priority in the last half of 2009. The department is quickly awarding contracts, putting people to work across the state, and providing much-needed improvements to the transportation system.

- Idaho received \$182 million in highway economic stimulus funding in 2009.

EXECUTIVE SUMMARY

- Approximately \$11 million went to the state's one transportation-management area (the metropolitan area of northern Ada County).
- Approximately \$17 million went to local transportation agencies (\$12 million rural, \$5 million urban).
- Project-selection criteria focused on long-term safety and economic benefit.
- Eight major projects were initially identified on the state highway system. An additional 11 smaller projects were funded through bid savings.
- Two projects in eastern Idaho, the Idaho 48 project in Rigby and the U.S. 20 project near Henry's Lake, are complete.
- An additional \$5.4 million must be dedicated to highway-enhancement projects. Five projects have been selected to receive the funds.
- The department received an additional \$9.2 million in stimulus funding for transit-related projects.

GARVEE program

- The Legislature authorized a total of \$681 million for the GARVEE program, in four funding authorizations.
- The department has bonded \$657 million.
- Of the total bonded to date, \$560 million (nearly 98 percent) has been contracted through November 2009.
- Of the total \$560 million contracted, \$403 million has been expended, with work under way on the remainder.
- Idaho's GARVEE Program has benefitted from aggressive and competitive bidding, resulting in significant bid savings on recent projects and allowing other projects to advance ahead of schedule.

- Savings from construction bids allowed the advancement of four GARVEE projects to occur sooner than originally scheduled.

FY10 Budget

The transportation board is diligently focusing on operating, preserving, and restoring the system. To address revenue challenges, the transportation board made tough decisions to reduce and eliminate programs to preserve roads and bridges.

- A holdback in the State Highway Account of \$8.6 million (3.7 percent) from the contract construction portion of the budget was implemented in September 2009.
- In FY10, the department implemented a three-percent reduction as appropriated by the Legislature, and is nearing the additional two-percent reduction required for FY11.
- Since September, revenue decreased an additional 1.6 percent or approximately \$1.6 million through the end of November 2009.
- A holdback in the Aeronautics fund of \$348,000 was implemented in September 2009. Since then, revenue is expected to be down an additional \$300,000 for the fiscal year.
- Operating funds are being monitored closely through reductions in travel and other expenses. One year ago, administrative costs were reduced by 10 percent and 18 administrative positions were moved to "front line" service duties, primarily for maintenance workers to perform winter and summer operations.
- The budget team meets monthly to manage the department's budget and briefs the transportation board on revenue and expenditures.



PERFORMANCE

Performance Measures

To guide implementation of the OPE Audit and Executive Order, the department developed the following performance goals.

- **The Transportation System is Safe**
 - **The Roads and Bridges are Smooth and Unrestricted**
 - **Services are Timely and Cost Effective**
 - **The Users are Satisfied with DMV Services**
-

Performance measures

To support the goals, the department developed draft performance measures. The measures will show the progress in implementing the OPE Audit and Executive Order by reporting the department's performance.

The descriptions and purposes of the performance measures identified to date are listed below:

THE TRANSPORTATION SYSTEM IS SAFE

Five-Year Fatality Rate

- This measure tracks and will predict the five-year fatality rate per 100 million vehicle miles traveled on the State Highway System.
 - The purpose is to monitor the fatality rate to determine if programs to reduce fatalities and serious injuries on Idaho's highways are effective.
-

THE ROADS AND BRIDGES ARE SMOOTH AND UNRESTRICTED

Percent of Pavement in Good or Fair Condition

- This measure tracks the percentage of paved roads on the state highway system that are in good or fair condition.

- The purpose is to monitor pavement conditions to improve the timing of preventative maintenance, preservation, and reconstruction treatments that preserve and extend the useful life of pavements on the State Highway System.

Percent of Bridges in Good Structural Condition

- This measure tracks the percentage of bridges on the State Highway System that are in good structural condition using criteria established by the National Bridge Inventory System.
 - The purpose is to protect the department's investment in structures, reduce long-term bridge repair costs, extend the useful life of bridges, and reduce costs to the traveling public while maintaining connectivity and commerce. The condition of bridges is critical to efficient commerce in Idaho.
-

SERVICES ARE TIMELY AND COST EFFECTIVE

Construction Bids Within Budget

- This measure tracks the ratio of individual project bids awarded compared to programmed amounts.
- The purpose is to deliver cost-effective projects within the anticipated budgeted amounts.

Percent of Projects Awarded in the Year Identified in the Annual Program

- This measure tracks the percentage of projects awarded each year compared to the projects shown in the Statewide Transportation Improvement Program (STIP) for that year. This is an indication of project-delivery timing commitments.
- The purpose is to improve the delivery of projects anticipated each year from the STIP.

Operating and Administrative Costs

- This measure tracks the department's operating and administrative costs. The department is studying the best methodologies to accomplish this.

PERFORMANCE

Performance Measures

- The purpose is to control operating and administrative costs.

Mobility Services

- This measure tracks mobility services offered throughout the state. The department is studying the best methodologies to accomplish this.
- The purpose is to monitor the availability and effectiveness of public transportation services.

THE USERS ARE SATISFIED WITH DMV SERVICES

Average Completion Time for Title Requests from Customers

- This measure tracks the time elapsed between the date motor vehicle titles are requested by customers and the date the titles are processed for mailing. It is critical the department deliver titles in a time frame that meets or exceeds customer expectations.
- The purpose is to assess title-processing efficiency, productivity, and staffing levels.

Internet Transactions Processed by DMV

- This measure tracks the ratio of Internet transactions to the total transactions processed annually by the Division of Motor Vehicles (DMV).

- The purpose is to identify trends in public use of DMV online services.

Performance measure process ongoing

Developing performance measures is a fluid, ongoing process. Performance measures will evolve and new measures will be added with input from the Idaho Legislature and other stakeholders.

The Idaho Transportation Board will hold a workshop in January 2010 to review and consider performance measures. The department's performance measure identification and tracking process will continue to expand and improve over time.

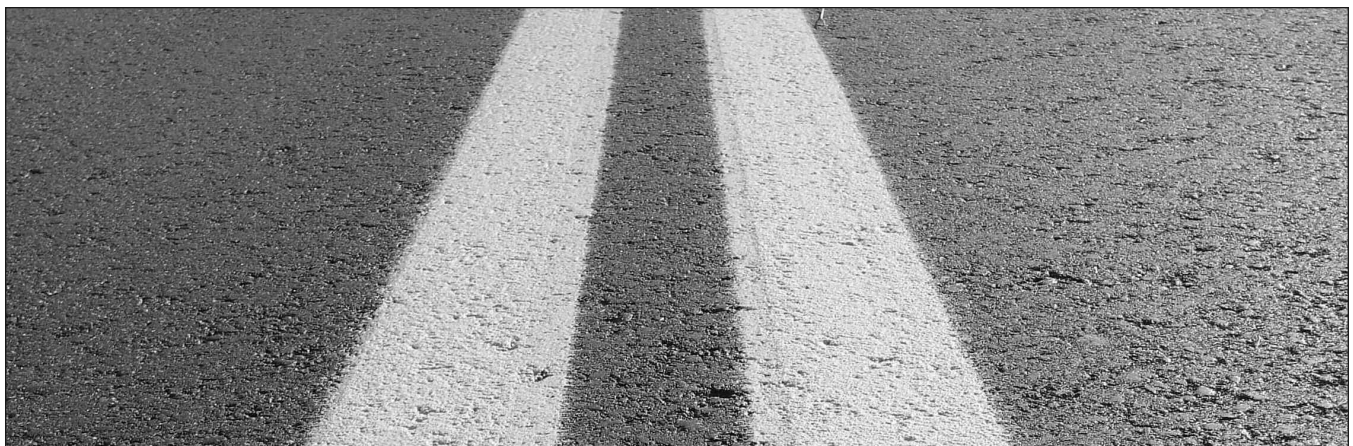
Performance measure benchmarks

The Governor's Executive Order requires the following completion dates:

- January 1, 2010. Develop strategic performance measures. (Initial measures have been identified)
- January 1, 2011. Report on performance measures
- January 1, 2012. Set goals for strategic performance measures

For more details, please visit the department's accountability Web site:

www.itd.idaho.gov/accountability



New overlay and striping on Idaho 55 is extending the life of the highway and improving safety.



PERFORMANCE

Management System

PROGRESS AT-A-GLANCE

- *Executive Order 2009-08 requires the department to develop and integrate maintenance, pavement, and project management systems into its financial management system by January 2012.*
- *The Idaho Legislature allocated \$8.3 million for the department to secure a new maintenance and pavement management system, and an additional \$800,000 for a project-scheduling system.*
- *The department awarded a contract in December 2009 to Agile Assets for a combined maintenance and pavement management system.*

Substantial progress made in acquiring management system

The department made substantial progress in 2009 identifying and procuring a management system to streamline operations and create greater efficiency.

- April 2009. A project team was established and began analyzing business requirements for a maintenance and pavement management system.
- May 2009. Governor Otter signed the department budget that includes funds for a maintenance and pavement management system and a project scheduling system.
- May 2009. Three potential vendors demonstrated the capabilities of their maintenance and pavement management systems, leading to the department's completion of the risk analysis.
- May 2009. Implemented a limited-scope pavement management system pilot project in eastern Idaho.
- July 2009. Funds became available for system procurement.
- August 2009. Issued a request for proposal for a

maintenance and pavement management system. (Executive Order deadline January 2010)

- October 2009. One response, from Agile Assets, met the requirements.
- October 2009. Agile Assets provided a product demonstration.
- December 2009. Awarded a contract for a combined maintenance and pavement management system.

Future milestones

- January 2010. Integrate maintenance, pavement, and project-management systems into the financial management system.
- April 2010. Concept and gap analysis complete.
- April 2010. Initiate system build.
- December 2010. Train staff on the pavement and maintenance-management system.
- October 2010. Begin test phase.
- December 2010. "Turn on" the functioning pavement and maintenance management system.
- January 2011. Implement new system in phases.
- June 2011. Add new analytical functionality.
- January 2012. Begin fully utilizing the system.

Calibrating the system and training department personnel will be significant components of the program's success.

For more details about the progress of the management systems project, please visit the department's accountability Web site:

www.itd.idaho.gov/accountability



PERFORMANCE

Statewide Transportation System Plan

PROGRESS AT-A-GLANCE

- *Executive Order 2009-08 requires development and implementation of a Statewide Transportation System Plan that links the department's strategic plan with the Statewide Transportation Improvement Program by January 2011.*
- *The goal is to develop a prioritized, performance-based project selection process with increased transparency.*

Development is ahead of schedule

The development of a statewide transportation system plan met five benchmarks by the end of 2009 and remains on track for completion by the end of 2010.

- April 2009. Work began on development of the plan. (Executive Order deadline January 2010)
- May 2009. Developed partnerships with a variety of stakeholders. Using stakeholder input, the department will target investments to help grow the economy.
- June 2009. Work plan was presented to the transportation board.

- September 2009. System needs, characteristics and influences were identified.
- December 2009. System performance criteria were proposed. Project selection and prioritization criteria are under active development.

Future milestones

- February 2010. A work plan, outline, deliverables and schedule will be presented to the transportation board.
- July 2010. Present a status report on the system plan to the transportation board.
- October 2010. System performance criteria options will be presented to the transportation board.

For more details on the statewide transportation system plan, please visit the transportation department's accountability Web site:

www.itd.idaho.gov/accountability



Crews perform preventative maintenance on U.S. 20 at the St. Anthony Interchange.



PERFORMANCE

Additional Reporting Requirements

The executive order requires the department to report on the following components which are synonymous with the Operations and Performance Evaluation (OPE) Audit.

4A. Criteria for prioritizing transportation projects and expending funds.

Development of a new statewide transportation system plan that includes studying and redefining project selection criteria will be completed by the Executive Order deadline of January 2011.

Results

The goal is to develop a prioritized, performance-based project selection process with increased transparency. Page four shows the progress made to date on the statewide system plan.

Currently, the Idaho Transportation Board creates and funds programs within the department's Statewide Transportation Improvement Program using existing criteria to:

- Establish priorities and allocation of resources
- Comply with the priorities, funding levels, and requirements of federal funding bills
- Monitor, analyze, and manage performance in key areas
- Monitor and manage apportionments to project budgets
- Enhance the department's relationship to other transportation agencies and partners

A summary of existing criteria used to prioritize transportation projects and funding to achieve these goals is included in the appendix of this document, and also at:

www.itd.idaho.gov/accountability

4B. A statewide list of priority projects as established by the ITD Board based on the criteria developed under 4A.

Results

Projects are prioritized and selected by the Idaho Transportation Board and the department using existing criteria outlined in the Statewide Transportation Improvement Program (STIP). A PDF version of the STIP can be viewed at:

www.itd.idaho.gov/accountability

4C. The annual amount of revenue generated under House Bill 93 (Rental Car Tax), House Bill 94 (Fuel Tax Increase), and House Bill 98 (Vehicle Registration Fee Increase).

Results

These bills did not receive support in the Idaho Legislature. However, HB 226, 334, 338a, 376, and SB 1130 passed, raising various motor vehicle fees. The total revenue estimated to be generated in Fiscal Year 2010 is \$21.3 million, excluding the portions of the Idaho State Police and the Idaho Department of Parks and Recreation, which may change.

4D. Which priority projects will receive funding from the revenue identified in 4C during the year.

Results

Approximately \$5.6 million of the new revenue is dedicated to modernizing the motor vehicle computer system. The remaining funds are dedicated to the projects listed in the table on the following page. Expenses will begin accruing during the 2010 construction season.

4E. An accounting for funds expended for projects from the revenue identified in 4C during the previous year.

Results

The projects listed on page 18 follow the department's normal accounting process. This process is approved and audited by the Federal Highway Administration.

PERFORMANCE

Additional Reporting Requirements

The projects are assigned a unique project number, and all eligible costs are properly coded. The eligible costs include preliminary engineering, contractor payments, construction engineering, and inspection.

in completing the requirements for that year as outlined in paragraphs 6, 7, and 8 of the executive order.

Results

Quarterly benchmarks for achieving the audit's recommendations are listed in the ITD Quarterly Accountability Reports, which can be viewed at:

www.itd.idaho.gov/accountability

4F. A strategic action plan outlining quarterly benchmarks for achieving the recommendations in the audit, the responsibility of managers within ITD, and progress made

Projects Programmed to Receive Funding from New Revenue

BRIDGE PRESERVATION

• U.S. 95	North Fork Rock Creek and Idaho 97 Coeur d' Alene Bridges	\$600,000
• U.S. 95	UPRR Bitter Creek and Fighting Creek Bridges	\$600,000
• U.S. 95	Railroad Overpass, Moyie River and Westmond Bridge	\$300,000
• Idaho 53	UPRR Bridge, Near U.S. 95	\$600,000
• State	FY10 District 2 Bridge Deck Life Extension	\$200,000
• State	FY10 District 3 Bridge Deck Life Extension	\$100,000
• Idaho 25	"B-4" Canal and U.S. 30, Cedar Creek Draw Bridges	\$200,000
• I-84	FY10 District 4 Interstate Bridge Decks	\$475,000
• State	FY10 District 6 Districtwide Bridge Preservation	<u>\$1,747,000</u>
Total:		\$4,822,000

PAVEMENT PRESERVATION

• U.S. 95	Marsing Port of Entry to Idaho 55 Junction	\$1,200,000
• U.S. 93	Junction I-84 Interchange #173 Ramps to 500 South Road, Jerome County	\$724,000
• I-84	Interchange #173 to Maintenance Crossover, Jerome County	\$933,000
• U.S. 30	State Street, North Avenue to East 2700 South, Hagerman	\$482,000
• Idaho 39	Aberdeen City Limits	\$535,000
• U.S. 20	North Rexburg Interchange to South St. Anthony Interchange	<u>\$7,000,000</u>
Total:		\$10,874,000

Total New Money to Highway Construction:	\$15,696,000
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ACCOUNTABILITY

Stimulus Program

PROGRESS AT-A-GLANCE

- *Idaho received \$182 million in highway economic stimulus funding in 2009.*
- *Approximately \$11 million went to the state's one transportation-management area (the metropolitan area of Northern Ada County).*
- *Approximately \$17 million went to local transportation agencies (\$12 million rural, \$5 million urban).*
- *Project-selection criteria focused on long-term safety and economic benefit.*
- *Eight major projects were initially identified on the state highway system. An additional 11 major projects were funded through bid savings.*
- *Two projects in eastern Idaho, the Idaho 48 project in Rigby and the U.S. 20 project near Henry's Lake, are complete.*
- *An additional \$5.4 million must be dedicated to highway-enhancement projects. Five projects have been selected to receive the funds.*
- *The department received an additional \$9.2 million in stimulus funding for transit-related projects.*

Idaho takes advantage of highway federal stimulus funding

Federal funds provided through the American Recovery and Reinvestment Act of 2009 are producing short- and long-term benefits for Idaho citizens.

Eight major "shovel-ready" construction projects on the state highway system were initially selected for stimulus funding.

Results exceeded projections. Bids on all eight of the projects were significantly lower than expected, enabling the department to move 11 additional projects from planning to construction.

Combined, the 19 major projects represent an investment of approximately \$152 million and benefit the entire state.

Major projects on the state highway system funded through federal stimulus are:

• U.S. 2, Dover Bridge, \$21.6 million

The existing 72-year-old trestle bridge, constructed in 1937, is being replaced with a new steel bridge. The new structure will be 1,200 feet long and 72 feet wide. Five traffic lanes will accommodate future needs of U.S. 2.

The project is estimated to create or sustain 388 jobs. Construction started this summer and is expected to be completed in the fall of 2011.



Governor Otter led the long-awaited Dover Bridge Groundbreaking Ceremony.

ACCOUNTABILITY

Stimulus Program

- **U.S. 95, Wyoming Avenue to Idaho 53, \$6 million** (stimulus savings)

The project widens a two-lane section of U.S. 95, between Wyoming Avenue and the Idaho 53 junction, connecting it with four-lane segments on both ends. Widening the small segment of highway will create more than 15 miles of continuous four lanes from Coeur d'Alene to north of Garwood. The project is estimated to create or sustain 108 jobs. Construction is expected to start this spring and be completed in the fall of 2010.

- **I-90, Bridge Deck Rehabilitation, \$4.4 million estimated** (stimulus savings)

Rehabilitation of eight bridge decks on Interstate 90, from the Washington State Line to Coeur d'Alene, is needed to improve safety and prolong the life of the structures. Repairing the decks will prevent deterioration of the bridges and will reduce maintenance costs. This project is estimated to create or sustain 79 jobs. Construction is expected to start this spring and be completed in the fall of 2010.

- **U.S. 95, Moscow Mountain Passing Lanes, \$2.7 million**

The Moscow Mountain project constructed a north-bound passing lane, updated guardrail and guardrail ends, and constructed a Gabion rock wall. Rumble strips will be added on both shoulders near milepost 350. The project is estimated to create or sustain 48 jobs. Construction started in the summer of 2009 and will be completed in the spring of 2010.

The project includes an innovative wildlife detection and warning system that is activated when wildlife break a laser beam as they cross the highway. It is the first system of its kind to be used in Idaho.

- **U.S. 95, Top of White Bird Hill Grade to Chain-Up Area, \$3.3 million**

The project widens 1.2 miles of U.S. 95 between Grangeville and the top of the White Bird Grade. It also includes major repairs to the highway road base and embankment to correct a long history of slippage. The project is estimated to create or sustain 59 jobs. Construction started in the summer of 2009 and will be completed in the spring of 2010.

- **U.S. 95, Idaho 7, Bridge Deck Rehabilitation, \$374,000** (stimulus savings)

Bridge decks on the Lawyer's Creek, Clearwater River, and the North Fork of the Clearwater bridges will be rehabilitated. The three projects will be bid in one contract. The work will extend the life of the bridges, reduce maintenance costs, and improve highway safety. The project is estimated to create or sustain seven jobs. Construction will start this spring and be completed in the fall of 2010.

- **U.S. 95, Pavement Rehabilitation, \$6 million estimated** (stimulus savings)

A nine-mile segment of U.S. 95 near the Cottonwood city limit will be rebuilt. The existing surface will be removed, reprocessed, and reapplied to the highway as a base for a new surface.

Work originally was planned for Fiscal Year 2012 but was advanced in the Statewide Transportation Improvement Program with the availability of federal stimulus funds. The project is estimated to create or sustain 108 jobs. Construction will start this spring and be completed in the fall of 2010.

- **Idaho 9, Pavement Rehabilitation \$1.3 million** (stimulus savings)

A six-mile segment of Idaho 9, immediately south of Harvard in Latah County, will receive a two-inch pavement overlay to address deficiency issues. The project begins near Harvard and extends to Flat Creek. Work originally was planned for Fiscal Year 2012 but was advanced in the Statewide Transportation Improvement Program with the availability of federal stimulus funds. The project is estimated to create or sustain 23 jobs. Construction will start this spring and be completed in the fall of 2010.

- **I-84, Vista Avenue Interchange, \$17.8 million**

The new interchange, scheduled for completion in the fall of 2010, will use a Single Point Urban design, which places a traffic light at the center and allows for protected left turns in each direction. On- and off-ramps will be widened and lengthened to improve traffic flow. The new bridge also will accommodate the expansion of I-84. The project is estimated to create or sustain 320 jobs.

ACCOUNTABILITY

Stimulus Program

- **I-84, Black Canyon to Sand Hollow, \$10 million estimated** (stimulus savings)

The surface of I-84 will be repaired and improved beginning west of the Black Canyon Interchange and extending for five miles to east of the Sand Hollow Interchange. Several badly damaged concrete slabs will be removed and replaced. Repairs will include resealing pavement joints, repairing pavement cracks and chips, grinding portions of the existing pavement surface, and completing guardrail safety improvements. The project is estimated to create or sustain 180 jobs. Construction will start this spring and be completed in the fall of 2010.

- **U.S. 93, Twin Falls Alternate Route, Stage 2, \$26.6 million**

This project provides a bypass option for traffic traveling past Twin Falls on Interstate 84, separating through traffic (particularly commercial traffic) from local motorists using Twin Falls as a destination.

The project will connect with Stage I and continue west on Pole Line Road to 2400 East Road, then south to the U.S. 93/U.S. 30 junction. The project will create or sustain approximately 479 jobs. Construction started in the fall of 2009 and will be completed in the fall of 2011.

- **I-86, Chubbuck Interchange to Pocatello Creek Interchange, \$8.1 million**

This project adds an auxiliary lane on I-86, between Lou Avenue and the Chubbuck Interchange. The additional lane will continue along the eastbound on-ramp, then along I-86 to the Wye Interchange with I-15 and continue south on I-15 to the Pocatello Creek Interchange. It will progress along the southbound off-ramp onto Alameda Road and continue west to Jefferson Street. The project is estimated to create or sustain 145 jobs. Construction started in the fall of 2009 and will be completed in the summer of 2011.



The Twin Falls Alternate Route Stage 2 will create a wider, realigned route and be complete in two years.

ACCOUNTABILITY

Stimulus Program

- **I-15, Browning's Corner to Downey**

Interchange, \$5.5 million (stimulus savings)

Separate pavement rehabilitation projects, to be bid as a single unit, are planned for northbound and southbound lanes of I-15 as part of the federal stimulus program.

In addition to pavement resurfacing, the project will include rehabilitation of four bridge decks: Marsh Valley Road Overpass, Woodland Road, Cherry Creek Bridge, and Marsh Creek Bridge. Existing concrete slab approaches will be replaced on several bridges.

The project was planned for Fiscal Year 2012 but was advanced in the Statewide Transportation Improvement Program with the availability of federal stimulus funds.

The project is estimated to create or sustain 99 jobs. Construction will start this spring and be completed in the fall of 2010.

- **I-15 Northbound, Idaho Falls to Osgood, \$1.2 million** (stimulus savings)

An overlay of the entire highway surface is planned between mileposts 119 and 128. The project includes seal coating and striping, and is estimated to create or sustain 22 jobs. Construction will start this spring and be completed in the summer of 2011. The southbound lanes also are being overlayed through a project using non-stimulus funds.

- **U.S. 20, Henry's Lake Flat, \$2.3 million** (complete)

This project constructed passing lanes on northbound U.S. 20 between Island Park Lodge and Red Rock Road and on southbound U.S. 20 between the Henry's Fork Outlet Bridge and the junction of Idaho 87.

The project was estimated to create or sustain 41 jobs. Construction started in the summer of 2009 and was completed in the fall.

- **Idaho 48, Rigby High School to Yellowstone Highway, \$2.9 million** (complete)

This project widened Idaho 48 to three lanes; added a right-turn bay to Rigby High School; included a bike lane on both sides of the street; and installed curbs, gutters, and sidewalk along the busy route in Rigby. The project was estimated to create or sustain 52 jobs. Construction started in the summer of 2009 and was completed in the fall.



Governor Otter led the groundbreaking ceremony on a project to improve safety on Idaho 48 in Rigby.

Stimulus projects to improve access to public transportation

Idahoans will have improved access to public transportation and increased mobility because of 21 projects receiving \$8.7 million in federal stimulus funds provided through the department. Projects range from improving bus service to replacing old public transportation vehicles, building shelters at public transportation sites, and constructing bike and pedestrian paths.

For more details about Idaho's federal stimulus projects, please visit the department's accountability Web site:

www.itd.idaho.gov/accountability



ACCOUNTABILITY

GARVEE Program

PROGRESS AT-A-GLANCE

- *The Legislature authorized a total of \$681 million for the GARVEE program, in four funding authorizations.*
- *The department has bonded \$657 million.*
- *Of the total bonded to date, \$560 million (nearly 98 percent) has been contracted through November 2009.*
- *Of the total \$560 million contracted, \$403 million has been expended, with work under way on the remainder.*
- *Idaho's GARVEE Program has benefitted from aggressive and competitive bidding, resulting in significant bid savings on recent projects and allowing other projects to advance ahead of schedule.*
- *Savings from construction bids allowed the advancement of four GARVEE projects to occur sooner than originally scheduled:*
 - *U.S. 30, McCammon to 12th Street*
 - *I-84, 11th Avenue reconstruction, Nampa*
 - *Idaho 16, early acquisition right-of-way*
 - *I-84, Franklin to Garrity reconstruction, Nampa*

Stimulating the economy, improving safety

The use of GARVEE bonds is improving safety and commerce for all travelers by rebuilding infrastructure and increasing traffic capacity in GARVEE corridors. Major highway construction projects are being delivered at an accelerated pace at costs less than anticipated.

Below is a summary of the program's progress in 2009:

U.S. 95, Garwood to Sagle corridor

- *Environmental Impact Statement (EIS)*
The Final EIS has been presented for review and consideration by participating agencies. The project team is incorporating and addressing comments re-

ceived. The environmental clearance has been delayed at least 18 months from its original schedule primarily caused by lengthy agency reviews and finalizing a summary of individual impacts. A decision on the proposed action is anticipated in the summer of 2010.

Idaho 53 to Ohio Match Road

Construction is complete. This project reconstructed and realigned approximately three miles of U.S. 95 in northern Kootenai County. Improvements include construction of a divided highway, installation of traffic signals at Idaho 53 and Garwood Road, and the realignment of a shared-use path (pedestrian/bike). This limited-scope project was completed under a separate environmental clearance to advance construction in the corridor.

Corridor design and development tasks

Development is under way on four segments in this corridor – Chilco, Silverwood, Athol, and Granite areas. Project design and early acquisition of limited amounts of right-of-way also are under way.

These projects will reconstruct a portion of U.S. 95 and include frontage roads for access consolidation and three interchanges that replace at-grade intersections. Completing the environmental document (anticipated summer of 2010) is the key to proceeding with development and construction. Project construction relies on additional future funding authorizations.

U.S. 95, Worley to Setters corridor

Worley North

Construction is complete on the only project in this corridor. This project realigned and reconstructed 4.2 miles of U.S. 95 from north of Worley to about one mile north of Idaho 58. The highway was widened from a two-lane narrow and winding highway to a four-lane divided highway. An interchange was constructed at the U.S. 95 junction with Idaho 58 to improve safety and construct three other bridges.

ACCOUNTABILITY

GARVEE Program

Idaho 16, I-84 to Idaho 44 corridor

- *Environmental Impact Statement (EIS)*
A public hearing was held in July 2009 to gather responses to the Environmental Impact Statement (EIS). The Final EIS is anticipated to be delivered in January 2010 for Federal Highway Administration legal sufficiency review. A decision on the proposed action is anticipated in the summer of 2010.
- *U.S. 20/26 to Idaho 44*
Design work for extending Idaho 16 from Idaho 44 (State Street) to U.S. 20/26 (Chinden Boulevard) is on schedule. This project includes a new Boise River crossing and a connection with existing Idaho 44 across undeveloped private property. Right-of-way acquisition for this project was advanced with bid savings from other GARVEE construction projects and is being accelerated ahead of schedule. Project construction relies on additional future funding authorizations.

I-84, Caldwell to Meridian corridor

- *Garrity Interchange to Meridian Interchange*
Construction is substantially complete in this segment with one exception, the Ten Mile Interchange. Approximately six miles of I-84 between the Garrity and Meridian interchanges were widened and reconstructed, adding a third lane in each direction. A fourth lane in each direction will open in the summer of 2011 after a portion of the Ten Mile Interchange is completed.
- *Ten Mile Interchange*
Construction is under way on this project. A new Single Point Urban design is being used at the intersection of I-84 and Ten Mile Road in Meridian. The new Ten Mile Interchange will relieve congestion at the I-84 Meridian Road Interchange and increase traffic capacity for the growing area west of Meridian Road.



Construction on the U.S. 95 Worley to Setters corridor is substantially complete. A few remaining items will be completed in the spring of 2010.

ACCOUNTABILITY

GARVEE Program

- *Franklin Interchange to Garrity Interchange*
Construction is under way in this corridor. This project will widen the interstate to three lanes in each direction and replace the Garrity Interchange Bridge. Construction is under way on the Garrity Interchange Bridge and approximately one mile of interstate reconstruction this fall. Construction is expected to continue through the summer of 2012.



Construction on the I-84 Ten Mile Interchange is expected to be complete in the summer of 2011.

The next construction phases will be the replacement of the 11th Avenue Bridge and reconstruction of I-84 between the Franklin and Garrity interchanges. These projects were advanced with bid savings from other construction projects and were accelerated.

U.S. 30, McCammon to Soda Springs corridor

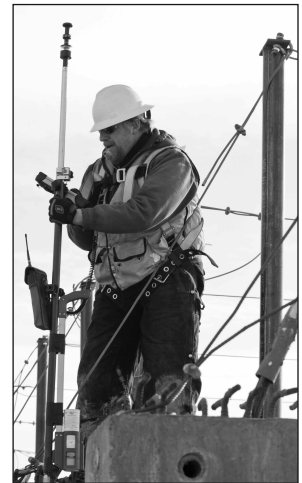
- *Portneuf River and Topaz bridges*
Construction is under way. Reconstruction and widening of U.S. 30 from Crystal Springs Road to Old Oregon Trail Road from two lanes to four is under way. The project includes two new bridges over the Portneuf River and a bridge over the Union Pacific Railroad tracks. The projects are expected to be completed in the summer of 2011.

- *12th Street to Crystal Springs Road*
Construction is under way. Approximately two miles of highway just west of the Portneuf River Bridges project, from 12th Street to Crystal Springs Road is being reconstructed. The project will expand the highway section to four lanes with a median. The project will be completed in the summer of 2010.
- *McCammon to 12th Street*
Construction is under way. This project was advanced with bid savings from other projects and was accelerated to construction ahead of schedule. The project is realigning, widening, and reconstructing 1.5 miles of U.S. 30 southeast of McCammon to 12th Street, from two lanes to four lanes with a center median. The project is expected to be completed in late 2010.

I-84, Orchard to Isaac's Canyon corridor

- *Vista Interchange*
Construction is being funded through the federal stimulus program. A new interchange was designed with GARVEE funds and is now being constructed to more safely move traffic and allow for expansion of the interstate.

This will be the first Single Point Urban Interchange constructed in Idaho. The project is expected to be completed in fall of 2010.



A surveyor checks measurements on the I-84 Vista Interchange.

- *Cole Interchange to Broadway Interchange*
Construction is under way. Two lanes are being added in each direction to reduce congestion and improve safety between the east side of the Cole Road Interchange and the Broadway Avenue Interchange. In addition to widening the interstate between the Cole and Broadway interchanges, this project will replace the existing rough pavement with new concrete. The project will be completed in the summer of 2011.

ACCOUNTABILITY

GARVEE Program

- *Orchard Interchange*

Construction is under way on this project. The Orchard Street Interchange is being replaced to construct a wider, safer interchange structure and allow additional lanes to be built on I-84. The project will widen and connect two bridges over the New York Canal in the project area and realign the intersection south of the interstate. The project is expected to be completed in spring of 2010.

For more details on the progress of the GARVEE program, please visit the transportation department's accountability Web site:

www.itd.idaho.gov/accountability



A concrete crew finishes the new sidewalk on the I-84 Orchard Interchange.



ACCOUNTABILITY

FY10 and FY11 Budgets

FY10 BUDGET AT-A-GLANCE

- *A holdback in the State Highway Account of \$8.6 million (3.7 percent) from the contract construction portion of the budget was implemented in September 2009.*
- *Since September, revenue decreased an additional 1.6 percent or approximately \$1.6 million through the end of November 2009.*
- *Managers meet and brief the transportation board monthly on revenue and expenditures. Actions will be taken to ensure the department does not spend more than it receives in actual receipts.*
- *A holdback in the Aeronautics fund of \$348,000 was implemented in September 2009. Since then, revenue is expected to be down an additional \$300,000 for the fiscal year.*
- *The FY10 budget is operating with a three-percent reduction in personnel funding from the FY09 appropriation. Division administrators are managing their personnel budgets by eliminating paid overtime when possible, not filling seasonal or temporary positions, laying off temporary employees, and keeping vacancies open longer than normal.*
- *Operating funds are being monitored closely through reductions in travel and other expenses. One year ago, administrative costs were reduced by 10 percent and 18 administrative positions were moved to “front line” service duties, primarily for maintenance workers to perform winter and summer operations.*
- *The budget team meets monthly to manage the department’s budget.*



In FY10, 18 administrative positions were transferred to front-line service positions. Most positions were transferred to perform winter and summer maintenance.

ACCOUNTABILITY

FY10 and FY11 Budgets

FY11 BUDGET AT-A-GLANCE

- *The FY11 budget reflects the elimination of funding from the Highway Distribution Account to the Idaho State Police and the Idaho Department of Parks and Recreation.*
- *In FY10, the department implemented a three-percent reduction as appropriated by the Legislature, and is nearing the additional two-percent reduction required for FY11.*

Budget summary

Budget reductions are creating challenges for businesses and governments. At the end of FY09, Idaho's general fund was down \$443 million from a peak of \$2.9 billion in 2008.

The department faces challenges similar to the general fund. Unlike the state's general fund, however, the department's budget has not benefitted from steady growth the past few years.

Department managers are meeting this challenge by making budget decisions that support the department's highest priority—the maintenance and safe operation of the state highway system.



Department maintenance workers improve safety on U.S. 30 by installing new guardrail.

APPENDIX

— Prioritization Criteria —

Summary of existing criteria for prioritizing transportation projects and expending funds

The Idaho Transportation Board creates and funds programs within the department's Statewide Transportation Improvement Program to:

- Establish priorities and allocate resources
- Comply with the priorities, funding levels, and requirements of the federal transportation funding bill
- Monitor, analyze, and manage performance in key areas
- Monitor and manage apportionments to project budgets
- Establish the department's relationship with other transportation agencies and partners

Statewide priorities

Following an update of the department's emphasis areas and goals, a team of engineers and planners manage each program area. These teams:

- Determine specific objectives for the program
- Determine the engineering requirements for specific projects to most effectively meet these objectives
- Collect and analyze data and report on the condition of the system within their area
- Make recommendations to management on funding levels required to meet objectives
- Recommend which projects to fund to meet the program objectives
- Manage program budgets as projects are delivered for construction

Regional priorities

Regional needs and priorities are captured through route, area, and regional corridor plans. In larger urban areas, regional needs are compiled by metropolitan planning organizations.

Project solicitations

The objectives, priorities, and funding levels are communicated to the transportation partners throughout the state including the:

- Six transportation department districts
- Six metropolitan planning organizations
- Local Highway Technical Assistance Council

These groups work with their stakeholders to prioritize needs and request projects within the guidelines provided by the department.

Program review

Recommended projects are analyzed by each program team to determine if they meet the objectives, fiscal limitations, and regional equity as determined by the transportation board for each program.

A draft statewide program is provided to the transportation board for possible modifications. Following the transportation board's review and input, a draft is made available to the public for review and comment. After the public comment period ends, the transportation board modifies and approves the statewide highway program.

Established transportation programs

The transportation board and department prioritize funding based on operations, preservation, restoration, and expansion.

The cost of materials and fluctuations in contracting costs are evaluated annually. Funding for affected programs is adjusted annually to meet the performance goals set by the transportation board.

APPENDIX

— Prioritization Criteria —

Any funds remaining after the performance goals are met are dedicated to expansion projects. The highway programs established to meet the goals are:

Preservation

(Seal coats, pavement overlays, etc.)

- Pavement Preservation Program – The program is managed by the department’s Pavement Team to maintain and preserve pavement on state highways. Projects are selected based on district-wide pavement condition. Funded at \$95.9 million annually.
- Bridge Preservation Program – The program is managed by the department’s Bridge Team to maintain and preserve state bridges and bridge decks. Projects are selected statewide based on bridge condition. Funded at \$10.8 million annually.

Restoration

(Rebuilding existing highways and bridges)

- Pavement Restoration Program – The program is managed by the department’s Pavement Team to reconstruct or rehabilitate state highways where routine maintenance is no longer effective. Projects are selected based on district-wide pavement condition. Funded at \$44.5 million annually.
- Bridge Restoration Program – The program is managed by the department’s Bridge Team to rehabilitate or replace state bridges. Projects are selected statewide based on bridge condition. Funded at \$22 million annually.
- System Support Program – The program is managed by the department’s Division of Highways to fund bridge-inspection contracts and other project-related service contracts. Funded at \$1.5 million annually.
- Transportation Board Unallocated Program – Used at the transportation board’s discretion as unplanned needs arise. Funded at \$2 million annually.

Safety

(Reducing crashes, deaths, and injuries)

- Statewide Safety Program – The program is managed by the department’s Safe Highways and Facilities Team to increase safety on public roads through construction projects and education programs. Projects are identified in the department’s Strategic

Highway Safety Plan based on safety data. Funded at \$10.4 million annually.*

- Rail Crossing Program – The program is managed by the department’s Rail Coordinator to improve safety at railroad crossings. Projects are selected based on rail/highway crossing safety history and crossing condition. Funded at \$2 million annually.*
- Rest Area Program – The program is managed by the department’s Rest Area Team to rehabilitate or reconstruct existing state highway rest areas. Projects are selected from the transportation board approved rest area rehabilitation plan. Funded at \$3.7 million annually.

Expansion

(Building new highways and bridges)

- Expansion Program – The transportation board places a higher priority on system maintenance and operation than expansion projects. It is no longer possible with existing revenues to expand the state highway system. This program will be phased out by Fiscal Year 2013 if funding continues at current levels.
- Feasibility and Early Environment Program – Funds studies to determine whether a proposed expansion project is feasible before being placed in the STIP. The program is managed by the department’s Horizon Team and is closely monitored by the transportation board.
- Debt Service Program – Funds debt service payments for Grant Anticipation Revenue Vehicle (GARVEE) bonds. Debt service as of December 1, 2009, is \$40 million.

Planning

- Systems Planning Program – Funds the development of corridor, area, and district plans. It is no longer possible, under current revenue levels, to fund this program. It was reduced in Fiscal Year 2010.
- Metropolitan Planning Program – The department allocates \$1.6 million annually to the state’s six metropolitan planning organizations to support local activities.*

APPENDIX

— Prioritization Criteria —

- Statewide Planning and Research Program – The program is managed by the department’s Division of Transportation Planning to fund research projects in cooperation with other states.

Research projects are prioritized and competitively awarded by the interagency Research Advisory Council. Target funding is \$5.8 million annually.*

Transportation enhancement

- Enhancement Program – Funds projects to enhance the transportation environment. It is no longer possible under current revenue levels to fund this program and maintain core preservation and restoration programs.

It is being suspended beginning in Fiscal Year 2011. Projects are competitively awarded and recommended by the Transportation Enhancements Advisory Committee in support of emphasis areas specified in transportation board policy.*

- Congestion Mitigation and Air Quality (CMAQ) Program – Funds projects to benefit transportation and air quality. It is no longer possible under current revenue levels to fund this program. The program was suspended in Fiscal Year 2010.

Projects are competitively applied for and are recommended by the CMAQ Technical Advisory Committee based on quantified air quality benefits and air quality problem areas and in support of emphasis areas specified in transportation board policy.*

- Recreational Trails Program – Managed by the Idaho Department of Parks and Recreation to fund recreational trails. Funding oversight is administered by the Federal Highway Administration. Funded at \$1.6 million annually.*

Congressional programs

- High Priority Program – This program is allocated by Congress to specific Idaho projects through the six-year federal transportation bill. These funds are available until spent but can be used only for specific projects. Congressional allocations are usually insufficient to fully fund a project. Allocation of these funds does not increase Idaho’s funding. Idaho

was allocated \$180 million in this program by Congress.*

- Discretionary Program – Provides additional revenue to Idaho from Congress or the Federal Highway Administration. Discretionary awards are usually insufficient to fully fund a project. There are no discretionary projects in the current STIP.*

Local highway programs

The transportation board voluntarily shares federal funding with local transportation agencies.

- Local Urban Program – Projects are recommended to the transportation board by the Statewide Urban Committee to designate federal funds for local public agencies. Funded at \$8.2 million annually.
- Transportation Management Area Program – In accordance with federal law and transportation board policy designating federal funds for local public agencies, projects are recommended by the Community Planning Association (COMPASS) in northern Ada County. Funded at \$6.7 million annually.*
- Local Rural Program – In accordance with transportation board policy designating federal funds for local public agencies, projects are recommended to the transportation board by the Local Highway Technical Assistance Council (LHTAC). Funded at \$11 million annually.
- Local Bridge Program – In accordance with transportation board policy designating federal funds for local public agencies, statewide projects are recommended based on bridge condition by LHTAC. Funded at \$4.6 million annually.
- Off-System Bridge Program – Projects are recommended to the transportation board based on bridge condition by LHTAC. Funded at \$3.5 million annually.*

**These designated programs have been established to comply with federal funding eligibility requirements. Lack of projects in these programs may jeopardize Idaho’s ability to use federal funding.*



This report also can be viewed and printed from the department Web site:

www.itd.idaho.gov/accountability